

REPORT DRAFTED BY THE AUDIT COMMITTEE ON THE INDEPENDENCE OF THE AUDITORS OF THE COMPANY IN 2021

I. Introduction

Article 13 of the Board of Directors Regulations and article 6 of the Audit Committee Regulation of Laboratorios Farmacéuticos Rovi, S.A. ("**ROVI**" or the "**Company**"), on the regulation and functions of the Audit Committee, establishes that this Committee shall draft and issue every year, before the issue of the audit report, a report expressing an opinion on the independence of the auditors. This report must always include a reasoned assessment of the provision of each and every one of the additional services provided by said auditors, both individually and as a whole, other than the legal audit, and in relation to the status of independence or to the regulations governing the activity of auditors, in accordance with the provisions of article 529 *quaterdecies* 4.f) of Royal Legislative Decree 1/2010, of 2 July, approving the consolidated text of the Corporate Enterprises Act (Ley de Sociedades de Capital) (the "**Corporate Enterprises Act**").

This report is drafted in accordance with the status of independence under Law 22/2015, of 20 July, on auditing (Ley de Auditoría de Cuentas) (the "**Audit Act**"), which is applicable to the audit work on the annual financial statements corresponding to the financial year initiated as of 17 June 2016.

The Audit Committee has therefore drafted this report, which will be available to shareholders and investors on the website following the call of the next Ordinary General Meeting of Shareholders.

II. Analysis of the independence of the auditors

This report is based on the document received by the Audit Committee from the Company's auditors. It contains written confirmation of their independence with respect to the Company or entities directly or indirectly related to it, as well as information on the additional services of any kind provided to these entities by said auditors or by persons or entities related to them, under the provisions of the Audit Act.

The written confirmation, signed by the engagement partner of KPMG Auditores, S.L., Mr. José Ignacio Rodríguez Pardo is issued under the Audit Act, the Corporate Enterprises Act and article 13 of the ROVI Board of Directors Regulations and article 6 of the Audit Committee Regulations.

The auditors of ROVI, KPMG Auditores, S.L., were re-appointed by the General Meeting of Shareholders on 17 June 2021, as the auditors of the Company and its subsidiaries, to audit the individual and consolidated annual accounts for the financial year ending 31 December 2021.

With respect to this appointment, in the document sent to the Audit Committee of ROVI the auditors confirm their independence as auditors under the Audit Act and the

Technical Audit Standards issued by the Institute of Accounting and Auditing (*Instituto de Contabilidad y Auditoría de Cuentas*).

Moreover, they report in detail the fees charged¹ in euros to the entity and its related entities, broken down by item, for both auditing services and others, in the year ending 31 December 2021 by KPMG Auditores, S.L. and other firms in its network, allowing their independence to be assessed.

The section “Audit Services” includes both fees for audit work subject to the Audit Act, and fees corresponding to statutory audits applicable to entities related to the Company.

The section “Other services related to the audit” includes the fees corresponding to the limited review of the interim financial statements as at 30 June 2021, the issue of the report referring to information relating to the system of Internal Control over Financial Reporting (ICFR) of 2020, and the procedures agreed on (i) compliance with the 2020 financial ratios of Laboratorios Farmacéuticos Rovi, S.A. and of Rovi GmbH, the German subsidiary of ROVI; and (iii) the conversion of debt into capital of the subsidiary Rovi S.A.S., the French subsidiary of ROVI, with its Sole Member.

The services included in this section are required from the auditor, as established by the applicable regulations, or they are commonly provided by it; among them is carrying out limited reviews, the provision of verification services in accordance with the defined standards (assurance reports, agreed procedures or other standards established under local legislation), whose performance complies with regulatory requirements or best market practices.

In this respect, the auditors confirm that:

- The services are not prohibited by article 5.1 of Regulation (EU) No. 537/2014, of 16 April.
- They do not participate in the decision-making process of the companies which engage the services.
- Based on the content and regulation of the services, no threat to the independence of the auditors has been identified.

Finally, the section “Other services” includes the fees corresponding to the independent review services on non-financial information included in the Statement on Non-Financial Information for 2020 under the ISAE 3000 standard.

In this respect, the auditors confirm that:

- They are not services prohibited by article 5.1 of Regulation (EU) No. 537/2014, of 16 April.
- They do not participate in the decision-making process of the companies which engage the services.

¹ As indicated in the auditors’ charter of independence, a reasonable interpretation of the term “charged” would be: a) for total audit fees, the fees agreed for auditing in the audited financial year (whether invoiced or not); and b) for other services, the services invoiced during the audited year.

- To the extent to which their work is based on preparing an assurance report based on criteria described in the International Standard on Assurance Engagements (ISAE) 3000 and the Guidelines for Activity on engagements for verifying the Statement on Non-Financial Information (SNFI) prepared by the Institute of Certified Auditors of Spain (ICJCE) on the SNFI non-financial indicators, which do not enter within the scope of the audit work or are designed to serve as a basis for preparing the financial statements and other accounting documents, no significant self-review threat has been identified.
- With respect to the volume of service fees, to the extent that they are not significant for either of the parties, no significant threat to own interest or undue influence has been identified.
- Finally, no other type of situation or relations have been identified between the Company and its related entities and KPMG Auditores, S.L. and other companies in the same network.

To guarantee the independence of the external auditor, the Audit Committee has monitored the fees invoiced by the main audit firm for services other than auditing of the annual accounts. It has also supervised the links between the fees paid to the audit firm and its total income.

Aside from the above, the Audit Committee has gathered the appropriate information on the Company's auditor to confirm that it is not subject to any of the cases of incompatibility by which, under articles 16 to 20 of the Audit Act, the auditor would be considered not to have sufficient independence to exercise its functions with respect to ROVI.

In particular, the auditor has confirmed that the team charged with carrying out the audit, KPMG Auditores, S.L. and, where appropriate, other persons belonging to the audit firm and, where necessary, other firms in the network, have complied, to the extent applicable, with the independence requirements applicable under the Audit Act and Regulation (EU) No. 537/2014 of 16 April; and no circumstances have been identified which, either individually or as a whole, could represent a significant threat to its independence, would require the application of safeguarding measures or could represent cases of incompatibility; which means that:

- a) The partner signing the audit report on the annual accounts of ROVI and its subsidiaries does not hold executive or administrative office in the ROVI Group. He also does not hold a post as employee or internal supervisor in ROVI or in companies in its group, and has not received general powers of attorney in his favour from ROVI or the companies in its group, and is completely independent of it as are any persons linked to him
- b) There is no significant direct interest on the part of José Ignacio Rodríguez de Prado, the auditor signing the audit (or persons linked to him) in ROVI or companies in its group.
- c) The auditor responsible for the audit work has not carried out any type of transaction related to financial instruments issued, guaranteed or backed in any way by ROVI.

- d) The auditor signing the audit report does not have any link (either by marriage or of blood or through marriage to the first degree of kinship, or collateral kinship to the second degree, including the spouses of persons with whom the latter have such kinship) with the employers, directors or persons responsible for the economic and financial area of ROVI or companies in its group.
- e) The member signing the audit report has not requested or accepted any gifts or favours from ROVI with a value other than insignificant or trivial.
- f) Neither the auditor signing the audit report (or persons related to him) nor the firm to which he belongs provides accounting services or carry out materially or prepare financial statements or other accounting documents for ROVI or companies in its group.
- g) The auditor (or persons related to him) has not provided ROVI (or the companies in its group) with valuation services during the period or financial year audited, ending 31 December 2021.
- h) The auditor (or persons related to him) has not provided ROVI (or the companies in its group) with internal audit services during the financial year 2021.
- i) The auditor José Ignacio Rodríguez de Prado (or persons related to him) has not provided or participated in the provision of advocacy services to ROVI (or the companies in its group) during the financial year 2021.
- j) The auditor has not received any fees derived from the provision of audit services and services other than audit to ROVI or companies in its group representing a significant total of annual income for the auditor, as an average of the last three years. This aspect is analysed in greater detail below.
- k) The auditor has not provided ROVI or any company in its group with design and implementation services for financial IT systems.

With respect to the conditions for engagement and rotation under articles 22 and 40 of the Auditing Act, the Audit Committee has verified that the provisions of said articles have been complied with. Specifically, given that ROVI is considered an entity of public interest as a listed company, the Audit Committee has verified that it complies with the obligation that the total period for which the auditor is appointed may not exceed a maximum of 10 years. Specifically, in 2017 a new audit firm was appointed for an initial period of three years, with José Ignacio Rodríguez de Prado, the partner of KPMG Auditores, S.L., signing for the audit firm; and in 2021, the same audit firm was re-appointed for a period of one year. It is therefore within the parameters of rotation required, as 2021 is the fifth year in which the current engagement partner is involved in the ROVI audit.

Finally, the Committee has noted that the fees corresponding to the audit services were fixed before the start of the audit of the financial year 2021, as stipulated by article 24 of the Audit Act.

As a global firm, KPMG is not involved in any of the cases of or grounds for incompatibility provided for under the Act.

In the cases stipulated in the Audit Act which may threaten the independence of the auditor, there is one, in article 25, which in the case of ROVI requires a detailed analysis:

- *“There will be an obligation to refrain from carrying out the corresponding audit in the next year when the accrued fees derived from the provision of audit services and non-audit services in the last three consecutive years to the audited entity and its related entities, by the auditor or audit firm and those who form part of the network, represent over 30 per cent of the total annual income of the auditor or audit firm and said network.”*

On this point, the law is referring to whether the percentage weight of the total fees represented by the ROVI Group and its related entities out of the total income of KPMG Auditores, S.L. and the entities within its network could represent a case of lack of independence. In this respect, the total average income of KPMG in Spain in the three previous years was over 150 million euros; compared with the fees received from ROVI and its related entities in this period (including audit services, other services related to auditing and other services), are not significant and, in any case are far below the 30 per cent of the total annual income of the auditor.

The total fees received by KPMG Auditores, S.L. as of 31 December 2021 for audit services, other services related to auditing and other services provided to ROVI and its subsidiaries in Spain (including the review of the Statement of Non-Financial Information) amount to 276 thousand euros, 55 thousand euros and 20 thousand euros, respectively. In 2021, KPMG Auditores, S.L. also provided audit services in Spain to Norbel Inversiones, S.L. and Enervit Nutrition, S.L., both companies related to ROVI, for 15 thousand euros and 17 thousand euros, respectively. Moreover, in 2021 KPMG Auditores, S.L. provided the related company Norbel Inversiones, S.L. with the services to review the Statement of Non-Financial Information for 2 thousand euros.

The total of these amounts, 351 thousand euros, does not represent a significant figure out of the total income of KPMG Auditores, S.L. for 2021, as its turnover is over 153 million euros.

In addition:

- The total fees received by KPMG S.A. as of 31 December 2021 for audit services and other audit-related services provided to Rovi, S.A.S., the French subsidiary of ROVI, amount to 10 thousand and 1 thousand euros, respectively.
- The total fees received by KPMG AG as of 31 December 2021 for the audit services and other audit-related services provided to Rovi GmbH, the German subsidiary of ROVI, amount to 25 thousand and 10 thousand euros, respectively.
- The total fees received by KPMG S.p.A. *Revisione e organizzazione contabile* as of 31 December 2021 for the audit services provided to Rovi Biotech, S.R.L., the Italian subsidiary of ROVI, amount to 25 thousand euros.

III. Conclusion

The Committee considers that in 2021, the auditor of the Company and its consolidated group, KPMG, has carried out its audit work with independence, given the following considerations:

auditor confirms its independence under the Audit Act.

- In 2021, the auditor did not report any issue in its relations with the Audit Committee that could endanger its independence.
- The fees corresponding to the audit services are determined before the auditor begins its functions and for the whole period in which they must be performed. The fees are not influenced or determined by the provision of additional services, nor are they based on contingencies or conditions other than changes in circumstances which serve as a basis for determining the fees, as stipulated in article 24.1 of the Audit Act, according to which contingent fees in the engagement of an audit are those in which the remuneration is calculated according to a pre-established formula depending on the results of a transaction or actual work of the auditor.
- The accrued fees derived from the provision of audit services and non-audit services do not represent more than 30% of the total annual income of the auditor in the last three consecutive years.
- This is the fifth year of work for the current audit firm team. This period complies with the provisions established by the current law on mandatory rotation of the auditor signing the audit report and the maximum period of ten years for engaging the auditor.

In light of the above, the Audit Committee has verified that the work contracted with the auditor complies with the requirements of independence established in the Audit Act.

The Audit Act and Corporate Enterprises Act require the Audit Committee to issue an annual report expressing an opinion on the independence of the auditors before the audit report is issued. Based on this requirement and the information given above, the Audit Committee has concluded that there are no objective reasons to question the independence of the auditor.

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Madrid, 22 February 2022